



POSTAL SERVICE

39 CFR Part 111

Collect on Delivery (COD) - Service Features

AGENCY: Postal Service™.

ACTION: Proposed rule.

SUMMARY: Effective July 28, 2013, the Postal Service™ proposes to revise *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM®) 503.13, 507.4 and 508.1 to provide new standards for the automatic holding period for Collect on Delivery (COD) articles, expand the acceptable payment methods for COD articles, and provide current options for the redirecting of COD mailpieces.

DATES: Submit comments on or before [INSERT DATE 30 DAYS FROM DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Mail or deliver written comments to the manager, Product Classification, U.S. Postal Service®, 475 L'Enfant Plaza SW, Room 4446, Washington DC 20260-5015. You may inspect and photocopy all written comments at USPS® Headquarters Library, 475 L'Enfant Plaza SW, 11th Floor N, Washington DC by appointment only between the hours of 9 a.m. and 4 p.m., Monday through Friday by calling 1-202-268-2906 in advance. Email comments, containing the name and address of the commenter, may be sent to:

ProductClassification@usps.gov, with a subject line of "COD Service Features"

Faxed comments are not accepted.

FOR FURTHER INFORMATION CONTACT: Grace Letto at 202-268-2282 or Suzanne Newman at 202-268-5581.

SUPPLEMENTARY INFORMATION: The Postal Service proposes to revise the DMM in various sections to redesign some of the features of COD service. In response to mailer's requests for the expedited return of their mailpieces when COD shipments are unclaimed by the addressee, this revision proposes to modify the holding period for COD articles from the current 30-day maximum to a maximum of 10 days.

Additionally, these revisions, if adopted, will retire the current manual PS Form 3849-D, *Notice to Sender of Undelivered COD Mail*. The primary function served by PS Form 3849-D can be provided by USPS Package Intercept service, which allows mailers the option to redirect COD mailpieces to a new address, to a designated Post Office for Hold For Pickup service, or return them to the sender. Unlike PS Form 3849-D, which entails sending of a notification to the mailer by mail and requiring the mailer to then send written instructions back to the Postmaster, which may take more than 10 days to complete, Package Intercept service provides mailers with an immediate avenue to request a COD article be redirected to a new address. Since items subject to Package Intercept requests are also held for a 10-day period, this option aligns with the proposed new holding period for COD articles.

However, the ability for a mailer, after mailing, to adjust the COD amount to be collected will be eliminated when the Form 3849-D is retired.

The USPS will continue to return COD articles to the mailer at the end of the holding period if no other applicable request is received; and to return COD mail addressed to an addressee who moved and left no forwarding address. Additionally, payment options for COD articles will be expanded to allow money orders made payable to the mailer as an additional acceptable payment method for the addressee at the time of delivery. Payment remittance mailpieces will now include unique tracking barcodes affixed by USPS allowing further visibility into the COD payment process through mail processing scans captured on the remittance en route to the recipient.

Although we are exempt from the notice and comment requirements of the Administrative Procedure Act (5 U.S.C 553 (b), (c)) regarding proposed rulemaking by 39 U.S.C. 410 (a), we invite public comments on the following proposed revisions to *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM), incorporated by reference in the *Code of Federal Regulations*. See 39 CFR 111.1.

List of Subjects in 39 CFR Part 111

Administrative practice and procedure, Postal Service.

Accordingly, 39 CFR part 111 is proposed to be amended as follows:

PART 111 — [AMENDED]

1. The authority citation for 39 CFR part 111 continues to read as follows:

Authority: 5 U.S.C. 552(a); 13 U.S.C. 301-307; 18 U.S.C. 1692-1737; 39 U.S.C. 101, 401, 403, 404, 414, 416, 3001-3011, 3201-3219, 3403-3406, 3621, 3622, 3626, 3632, 3633, and 5001.

2. Revise the following sections of *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM), as follows:

Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM)

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500 Additional Mailing Services

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503 Extra Services

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13.0 Collect on Delivery (COD)

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13.2 Basic Information

13.2.1 Description

***[Revise the first, second and fourth sentences of 13.2.1 as follows:]

Any mailer may use collect on delivery (COD) service to mail an article for which the mailer has not been paid and have its price and the cost of the postage collected from the addressee (or addressee's agent). The recipient has the option to pay the COD charges using either cash, or a personal check or money order made payable to the mailer. ***If the recipient pays the amount due by check or money order payable to the mailer, the USPS forwards the check or money order to the mailer. ***

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[Revise the title and text of 13.2.7 as follows:]

13.2.7 Redirecting COD

The mailer of a COD article may use USPS Package Intercept service to redirect the COD mailpiece to a new addressee, to a designated Post Office using Hold For Pickup service, or to the sender by paying the applicable fee and as provided in 507.5.

[Delete 13.2.8, Notice to Mailer, in its entirety.]

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507 Mailer Services

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4.0 Address Correction Services

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4.3 Sender Instruction

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4.3.2 Extra Services

***This mail is treated as follows:

[Revise item 4.3.2c as follows:]

c. The mailer of a COD article also may use USPS Package Intercept service to redirect the COD mailpiece to a new addressee, to a designated Post Office using Hold For Pickup service, or to the sender by paying the applicable fee and as provided in 507.5. The USPS returns the article to the mailer at the end of the COD holding period if no other request is received. When COD mail is addressed to a person who moved and left no forwarding address, the article is returned to

the mailer. The postage charge (but not registration or COD fees) for returning the mail, if any, is collected from the mailer.

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[Revise item 4.3.2g as follows:]

g. The USPS holds undeliverable collect on delivery (COD) mail for no fewer than 3 days and no more than 10 days.

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508 Recipient Services

1.0 Recipient Options

1.1 Basic Recipient Concerns

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1.1.7 Express Mail and Accountable Mail

The following conditions also apply to the delivery of Express Mail and accountable mail (Registered Mail, Certified Mail, insured for more than \$200.00, or COD, as well as mail for which a return receipt or a return receipt for merchandise is requested or for which the sender has specified restricted delivery):

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[Revise item 508.1.1.7f as follows:]

f. A notice is provided to the addressee for a mailpiece that cannot be delivered. If the piece is not called for or redelivery is not requested, the piece is returned to the sender after 15 days (5 days for Express Mail, 10 days for COD), unless the sender specifies fewer days on the piece.

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We will publish an appropriate amendment to 39 CFR part 111 to reflect these changes if our proposal is adopted.

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Stanley F. Mires,

Attorney, Legal Policy & Legislative Advice.

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